

COO4B4 International Trade & Environment [4 Credits]

Learning Objectives: To provide the knowledge of international trades and acquaint students with latest development in international trade. To have exposure on International Monetary System and Balance of Payments. To enable them get global perspective on issues related to trade.

UNIT 1: International Trade Theories (12 Hours)

International Trade Theories - Classical Trade theory - Theory of absolute advantage - Theory of comparative advantage - Factor Proportions trade theory - International investment and comparison of the Modern (Heckscher-Ohlin) Theory with the Classical Theory (RICARDO) of international Trade - New trade theory: strategic trade - Competitive advantage of nations - Gains from international trade.

UNIT 2: Balance of Payments (BOP) and Foreign Exchange Market (12 Hours)

Meaning of **Balance of Payments**, Balance of Trade and Balance of Payments, Structure of Balance of Payments – Current account and capital account transaction – Official reserves account – Equilibrium – Disequilibrium and adjustment – **Different approaches to BoP adjustment** – **Recent trends in India is BOP.**

Foreign Exchange Risk Management – Concept – Importance of Foreign Exchange – **Determinants of Forex rates** – **Forex Market in India** – **Functions** – **Types of Forex rates** – **Foreign Exchange Control**

UNIT 3: World Trade Organization and GATTs (12 Hours)

Free Trade Vs. Protection – Arguments in favour and against Free Trade and Protection-Forms of trade regulation - Restrictions of imports - **Tariffs** - **Quotas** – **Non-tariff barriers** - **Dumping** - **Trade barriers** - **Restrictions of exports** - **Export promotion** - **Import promotion.**

UNIT 4: Commercial Policy and India's Foreign Trade (12 Hours)

Tariff - Economic effects of tariff - Partial and general equilibrium analysis - Tariff structure - **Effective rate of protection** - **Optimum tariff** - **Non-Tariff measures** - **Quota-Economic effects of quota** – **Subsidies** - **Voluntary export restraints** - **Domestic content requirements** - **Dumping and anti-dumping regulations**

India's foreign trade- features of Foreign Trade Policy – **Promotional Boards for Foreign Trade-** **Government agencies-** **Incentives and Assistance**

UNIT 5: International Economic Institutions and Economic Integration (12 Hours)

International Economic Institutions - World Bank (WB) - International Monetary Fund (IMF) - United Nations Conference on Trade and Development (UNCTD) - Asian Development Bank (ADB) – **structure** – **functions** - **Role in international business.**

International Economic Integration – SAARC – NAFTA – BRICS – European Union (EU) – ASEAN - **structure** – **functions** - **Role in international business.**

Suggested Readings:

1. International Business-Concepts, Environment and Strategy: Vyuptakesh Sharah, Reason;
2. International Business: Michel R. czinrotx, Ilkka A. Ronkainen and Michel H. Mobbelt, South – Western Chantage Learning;
3. International Business-Text and Cases: D. Suffa Rao, Himalaya Publications;
4. International Trade-Selected readings: Bhagwati J, CUP-Massachusetts;
5. International Business Environment: Sundaram and Black, Prentice Hall
6. International Business: Francis cherunilam;
7. International Business: Charles Hill;
8. Communicating Globally, Inter cultural communication and IB: Wallace Schmidt, Saya publications.
9. Cross Cultural Management, Essential Concepts: David Thomas, Saya Publications;
10. IB-Competing in the Global Market Place: Irwin, MC Graw Hill.
11. Lopez, R.A, "Trade and Growth: Reconciling the Macro

